

AFFORDABLE HOUSING

Town of Eastham Goals and Performance Standards

The Cape Cod Commission, through its Regional Policy Plan for Barnstable County, has established overall planning goals and minimum performance standards for affordable housing. Eastham's goals and minimum performance standards are consistent with the Regional Policy Plan.

- 5.1 Goal:** To promote the provision of fair, decent, safe, affordable housing for rental or purchase that meets the needs of present and future Eastham's residents. The Town shall seek to raise its affordable housing stock to 5% of all year-round units by the year 2005, 8% of all year-round units by 2010, and 10% of all year round units by 2015.

Minimum Performance Standards

- 5.1.1 Affordable housing shall be encouraged in all areas that are appropriate for residential and mixed-use residential and commercial development. Particular attention shall be given to locating affordable housing convenient to transportation corridors.

* Any of site units or lots under 5.1.2 and 5.1.3 shall be in Eastham.

* The type (ownership/rental), bedroom composition, and unit size of the affordable housing resulting from MPS 5.1.2 and 5.1.3 shall be consistent with the area's priority housing needs as determined by the County's Five Year Consolidated Housing Plan and the LCP.

* Prior to occupancy of the affordable units, the applicant shall demonstrate that the occupants are income-eligible as determined by the Commission for DRI's and by the Eastham Housing Authority for units created in non-DRI developments. The applicant will be required to use the methodology used for HUD Section 8 applicants in determining income eligibility.

* DRI's, residential and/or commercial construction, redevelopment, or subdivision development projects that result in the reduction of non-condemned residential units shall be prohibited, unless otherwise permitted by the Commission.

* Residential construction, redevelopment, of subdivision development projects resulting in dislocation of existing residential occupants shall be subject to the provisions of the federal Uniform Relocation Act.

- 5.1.2 Residential construction and redevelopment projects of ten (10) units or more shall provide at least 10% of the proposed units as affordable units. In lieu of providing such units on site, the applicant may satisfy these requirements by providing equivalent housing units off site through the purchase of existing units, redevelopment, new construction, or a contribution of land.
- 5.1.3 Residential subdivision plans of 10 lots or more shall provide at least 10% of the proposed lots as affordable housing sites. Unless developed by the applicant, such sites shall be contributed to Eastham Housing Authority or a non-profit Community Development Organization such as the Lower Cape Cod Community Development Corporation (LCCCDC). An applicant may also satisfy these requirements through one of the options specified in Section 5.1.2.
- 5.1.4 In lieu of providing such lots on site, an applicant may develop or contribute equivalent off-site lots(s), providing they are in Eastham, that possess the capability of supporting the designated number of affordable units
- 5.1.5 Prior to final review by the Planning Board and the Housing Authority, an applicant must demonstrate that off-site lots are buildable and/or units habitable. In the event that the off-site lots or units prove to be unsuitable for any reason, an acceptable alternate proposal as specified in 5.1.2 and 5.1.3 will be required.
- 5.1.6 All affordable housing units or lots resulting from compliance with Sections 5.1.2 and 5.1.3 shall be initiated upon the conveyance of any of the subdivision lots or the issuance of a building permit for any of the lots, whichever occurs first. The applicant shall notify the Planning Board and Housing Authority (or other designated department of entities) prior to conveyance of any lots and/or application for a building permit for any of the lots.
- 5.1.7 The development of on-site affordable housing shall be phased in at the same rate as the project's overall development plan.
- 5.1.8 The Eastham Housing Authority or the Lower Cape Cod CDC as a designated local agency may receive affordable housing contributions. Upon certification of this Local Comprehensive Plan, the Cape Cod Commission shall follow this guideline.
- 5.1.9 Affordable housing units created by this section shall remain affordable year-round through the use of resale deed restrictions or rental restrictions that require the units to remain affordable in perpetuity. Such restrictions shall be made known to the homebuyer or renter prior to the purchase/occupancy of the unit. The marketing of any such rental units shall be in a fair and affirmative manner.

- 5.1.10 Affordable housing units within market rate developments shall be integrated with the rest of the development and shall be compatible in design, appearance, construction and quality of materials with other units. The location of the affordable units and the construction specifications shall be approved by the Planning Board and Housing Authority (or other designated departments or entities) prior to the start of construction.
- 5.1.11 Affordable housing provided for purchase through the review process shall be made available to potential homebuyers through a lottery process incorporating an affirmative action plan.
- 5.1.12 For the purpose of calculating the 10% affordable housing contribution, all numbers shall be rounded to the nearest whole figure.

Other Development Review Policies

- 5.1.13 Residential construction, redevelopment, or subdivision development projects, which are entirely comprised of housing units that are affordable for households at or below the median income, may qualify for a waiver of the 10% affordable housing requirement.
- 5.1.14 Affordable housing should be provided as part of residential and mix-use residential and commercial development. Particular attention should be given to locating affordable housing in or near Growth/Activity Centers and Growth Incentive Zones and convenient to transportation corridors.
- 5.1.15 Preference regarding off-site compliance with the affordable housing requirement should be first for the use of existing structures, second for the construction of new units, and third for land offerings.

- 5.2 Goal:** To promote equal opportunity in housing and to give special consideration to meeting the housing needs of the most vulnerable segments of Eastham's population including, but not limited to: very low income (50% of median income), single female heads of household, racial minorities, people with AIDS, elderly, the homeless, disabled, and others with special needs.

Minimum Performance Standards

- 5.2.1 In all of its actions the Town shall work to prevent discrimination in housing because of race, color, creed, religion, sex, national origin, primary language, age, political affiliation, disability, sexual orientation or any other consideration prohibited by law, and shall not knowingly approve any development that so discriminates.
- 5.2.2 Residential construction and redevelopment projects shall provide at least 10% or one unit; whichever is greater, of the proposed units as legally handicapped accessible unit(s).

Other Development Review Policies

- 5.2.3 The use of the "visit-ability" program as a standard for increasing accessibility of residential units should be promoted as a means for ensuring simple access into any home and into the bathroom for occupants and visitors.

- 5.3 Goal:** To seek out, provide support and encourage the development of innovative strategies designed to address the housing needs of Eastham, with particular attention to the needs of low- and moderate-income renters.

Minimum Performance Standards

- 5.3.1 For commercial DRIs, the applicant shall provide an analysis of affordable housing needs generated by the project.
- 5.3.2 New development with a high need for seasonal workers shall make provisions for employee housing or assist in placing summer employees in housing designed specifically for summer use, such as cottages or accessory apartments.

Development Review Policies

- 5.3.3 Reuse of existing structures as a means for creating affordable housing should be supported and encouraged.
- 5.3.4 The development of assisted-living facilities, single-room occupancy, and other similar affordable housing types should be encouraged.
- 5.3.5 The use of HOME and Soft Second Loan funds should be encouraged.
- 5.4 Goal:** To develop and promote strategies, plans, policies, and actions which integrate the development of affordable housing with protection of Eastham's environment.

Minimum Performance Standards

- 5.4.1 Use of alternative septic technologies and alternative construction techniques in conjunction with the development of affordable housing should be encouraged and expanded.
- 5.4.2 Cumulative-loading analysis or other similar strategies which identify areas where there is adequate nitrogen capacity for development of affordable housing should be promoted.

Existing Conditions

In 2000, Eastham had a total of 5,535 housing units, of which only 2,396 were occupied year-round. There were 246 year round vacant units and 2893 seasonal units among Eastham's 5535 total units.

The median rent in Eastham was \$536.00 derived from 1990 Census figures. In 1999 a Cape Cod Study showed a countywide medium rent of \$1,050. The Cape Cod Commission reports that for 2001, the median sales price of a single-family home was \$219,850 Countywide and \$245,000 in Eastham. It is clear that increasing house cost in Eastham is at least equal to that of the County as a whole.

Prior to 1996 there were only 12 qualified units of affordable housing under the terms of 40B. These were 8 units of special needs housing located in Eastham but developed and managed by the Orleans Housing Authority before 1996. The residents have all been developmentally challenged. The other 4 units (The Fay Shook Apartments) were acquired by the town and donated to the Housing Authority and were the first units to be owned by that recently formed entity. Since then, the Housing Authority acquired additional 8 units through the CDC. The CDC has acquired a two 2 unit apartment and converted 5 units of a pre-existing cottage colony and continues to own and operate them as affordable rental units and 2 units have been built by Habitat with another in short term prospect through transfer of a surplus town owned house.

Chapter 40B of the Massachusetts General Laws was enacted to encourage the development of affordable housing in all communities in the Commonwealth. The act establishes a ten (10) percent threshold of the year-round housing stock to be affordable for low or moderate-income households. If this threshold is not met, a developer may seek waivers from local laws and regulations to create such housing. Based on Eastham's 2000 Census' 2,642 year-round housing stock, this threshold would be 264 affordable housing units. Because only 40 units (including the yet to be relocated house next to the library) currently qualify as affordable year-round housing stock, an additional 224 units are required to meet the threshold. Census figures determine that the need is primarily for rental units, in view of housing purchase costs and lagging family income for those of "moderate to low income."

The number of housing units increased greatly during the 1980's; going from 3,625 in 1980, to 4,863 in 1990. This thirty-four (34) percent increase, or 1,238 housing units, was on the average of one hundred (100) new housing units a year during that decade. Since 1990, new housing in Eastham has been at a much slower rate than the previous three decades. This decrease in new housing is in part due to the national recession experienced in 1991-92 and in part because of the limited developable land available in Eastham. There is little evidence to conclude that this new trend will not continue. Thus the more limited available housing stock with rising population demands, especially from retirees and seasonal owners, is expected to add increased pressure, appreciating costs.

Table 31: Total Housing Units in Eastham Since 1990

Through	1989	4,863
	1990	65
	1991	41
	1992	62
	1993	65
	1994	65
	1995-2000	379
	Total Units:	5,535

Source: 2000 U.S. Census and the Eastham Building Department

Eastham Housing Authority

The Eastham Housing Authority evolved from a consortium of Eastham, Wellfleet and Truro affordable housing committees. Article 4 of the 1987 Eastham's Town Meeting, approved the authority by-laws and, subsequently, established a Housing Authority. Questionnaires relative to housing need were sent out in the summer of 1990, and the Community Development Corporation of Lower Cape Cod commissioned a survey in February of 1993. The results, as well as those from an additional questionnaire presented at the May 1993 Town Meeting, confirmed the Town's recognition of a strong need for affordable rental housing for younger families with a preference for the use of existing housing.

In addition to the original four units, The Housing Authority acquired additional 8 units through the Lower Cape Cod (CDC). There are housing facilities in Eastham designed for the special needs population. These include 975 Massasoit Road which houses four developmentally disabled adults, and the Woodwind House, which currently houses eight residents and is run by the Massachusetts Department of Mental Health. The CDC has since acquired a 2 unit apartment, 5 units through acquisition and conversion of a cottage colony, Habitat has added 2 units and with other State qualified units, the prospective "library" house, the total number is 40 - some 1% of the year-round occupied housing stock. It is less than seven tenths of all housing that can be occupied year-round. Eastham's Chapter 40B is 1.44% of the year round housing stock (both occupied and vacant).

Several sites, both public and private, have been evaluated by the Housing Committee for their suitability for the development of affordable housing.

With rising land costs and fewer buildable lots, new construction of affordable housing is likeliest on town owned sites. The two such sites currently qualifying are the 11 acres recently acquired near Brackett Road and the buildable portion of about 10 acres on the 63 acres Roach site. The rest of that Roach acreage is precluded from development by environmental

constraints. Several existing structures have been evaluated for their suitability for affordable housing. All of the structures deemed suitable for conversion-required renovation and winterization (Cottage Colonies and various summer cottages).

Eastham is actively represented on the Barnstable County Home Consortium. Several of the Towns' residents were among the founders of the Lower Cape Cod Community Development Corporation (CDC). In 1992 the Lower Cape Cod CDC was formed to encourage and develop year-round rental and owner-occupied affordable housing as well as sustainable economic development. The recently formed Housing Land Trust for *Cape Cod* is Cape Wide and currently has no site prospected in Eastham although that could change.

Analysis

The need for affordable housing in Eastham, already great, is likely to expand given the median housing value, pay scales for young families, especially single parent families, and an increase in older residents whose fixed incomes do not coincide with the current or projected housing costs. In addition, social agencies operating on the Cape have estimated that the homeless or near homeless population segment is likely to grow (see Human Services section).

The year-round housing stock is primarily in good condition. Of the seasonal housing, some is investment property or is owned by landlords who intend to eventually retire to Eastham, while others are second homes for family's off-Cape.

Disincentives for development of affordable housing in Eastham include restriction in lot size to accommodate both water supply wells and septic systems, commitment of tracts of Town-owned land, conservation property, wetlands, and the remaining Town-owned parcels are of insufficient size to accommodate affordable housing, except for the two previously cited. The Cape Cod Habitat for Humanity affiliate has built houses in Eastham on public and privately donated land, which qualify as affordable housing. A Town by-law now permits accessory apartments for affordable housing, but thus far, none has been created.

Chapter 40B and various other programs, such as the Local Initiative Program have been established to encourage the production of affordable housing. An attempt to increase the stock of affordable housing in all communities in the Commonwealth is an objective of the Department of Housing and Community Development, and the Cape Cod Commission. In addition, meeting the 10% threshold and/or demonstrated efforts to meet this threshold may affect the ability of Eastham to receive certain State grants. Because Eastham has 1.44% of its housing that qualifies as affordable under Chapter 40B, a greater effort and commitment to meet this threshold should be demonstrated.

State financial assistance is available for "assisted living" with a 20% set-aside for low and moderate-income residents. This type of housing is currently the fastest growing segment of the housing market. Appropriate affordable housing strategies for Eastham, which satisfy overall goals, housing goals and related needs, are shown in table below.

Table 32: Appropriate Affordable Housing Strategies

Strategy	Advantages	Disadvantages
Securing existing units with deed restrictions	Does not alter community character	None
Coordination with a non-profit and/or limited dividend corporation to develop affordable housing	No municipal expenditure Housing may be less expensive because no profit is required. "Assisted living" can be provided	None
Increasing intensity	No municipal expenditure May be appropriate in selected areas	Alters yield, may require wastewater treatment plant and effect character of Town
Set-aside	No municipal expenditure can be tailored to need and area	Perception of effect on property values
Donate Town owned sites	No municipal expenditure	Increase demand for Town services without commensurate tax revenue
Density Bonus	No municipal expenditure	May increase density
Accessory Apartments Requires careful monitoring	No municipal expenditure	Increases activity in area
Shared/Congregate Housing	No municipal expenditure	Increases activity in area
Local Initiative Program (LIP)	Maintains Town input No financial subsidy	Requires increased and appropriate standards
Streamline Permit Process	Reduced administration time and cost for Town	Must be monitored carefully to assure compliance with all regulations
Modify Regulations	Very limited expenditure	Must be prepared so as to not adversely affect municipal services and environment.

Individually these strategies may not approach the threshold required by the State, but in combination they may.

Recommendations

The following recommendations are made in an effort to encourage and increase affordable housing opportunities in Eastham:

- A. Complete a local housing plan, based on MGL Chapter 40B, which utilizes and updates the local need assessment contained in this report, and details a program and quantifies the number of affordable housing units to be provided each year.
- B. Continue efforts to purchase existing housing units and secure affordability with deed restrictions. As with the four units purchased in 1993, rental or assistance with down payments and subsidized mortgage rates, or setting up a revolving fund for outright purchase to resell, would increase affordable housing opportunities.
- C. The Town should encourage the construction of affordable housing units by Habitat for Humanity and other non-profit and/or limited dividend corporations and seek modifications to state and federal affordable housing regulations.
- D. Utilize increased intensity, set-asides and density bonuses (all of, which are appropriate as means to encourage affordable housing) by reducing land and land development costs. Both increasing intensity and set-asides are accomplished by reducing dimensional requirements in the zoning. Set-asides require developers to reserve a certain percent of the units to be sold or rented as affordable. A density bonus can be awarded for the same benefit or for other public benefits such as a contribution to the Housing Authority or Recreation Commission. The Town should utilize these strategies in selected areas to help achieve its goal of ten percent of the year-round housing stock as affordable.
- E. Permit accessory apartments where appropriate lot size and environmental conditions allow. This type of housing is located within an owner-occupied primary residence and would provide additional affordable housing stock at comparatively little cost.
- F. Encourage shared or congregate housing to allow for dwellings to be occupied by more than one family. This type of housing is useful in meeting the needs of single parent households, the elderly, and others who choose to live cooperatively.
- H. Support the Local Initiative Program (LIP). This State program was established to provide cities and towns with an incentive to develop low- and moderate-income housing. The program allows for Town supported private development, which does not require direct state or federal financial assistance. All low and moderate-income housing units developed through the Local Initiative Program are "counted" toward a community's affordable housing stock under Chapter 40B.
- I. Streamline the permit process to allow simultaneous application and processing of permits. The computerization and simplification of forms creates a user-friendly approach to development and may be economical both for the Town and the applicant.

- J. Modify town regulations to provide incentives for developers of affordable housing. Any modification of regulations should be subject to conditions established in the regulations and should be reviewed on a project-by-project basis. A by-law should be considered to permit cluster units and allow affordable housing on 1/2 acre lots.

Recommended Town Actions

- A. Promote adoptions of growth management by-laws which include provisions specifically related to affordable housing. Such provisions could include but not be limited to exempting affordable housing from growth caps, setting aside a specific number of building permits for affordable housing, and creating incentives for the development of affordable housing.
- B. Promote adoption of zoning changes that allow mixed-use development, use of District of Critical Planning Concerns and changes in tax-assessment policies that foster the development of affordable housing.
- C. Support the recently established local affordable housing committee, in the development of a local housing policy reviewing, proposals, recommending actions, and maintaining communications with the Commission.
- D. Develop a local housing needs assessment that will be updated every three years.
- E. Inventory public and private land suitable for the development of affordable housing and coordinate with local housing and Land Bank committees to develop opportunities for joint housing and conservation projects. Factors that could be considered in the selection of such sites by the town should include proximity to existing water supplies, schools, services, proximity to existing developed areas, and environmental constraints. At a minimum, local housing and environmental advocates should be involved in the site selection process.
- F. Consider donating or leasing parcels of town-owned land for affordable housing.

See "Affordable Housing" and "Land Use" in Implementation section.